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United States
Department of Defense



Base Realignment and Closure 2005 Military Construction
Project To Consolidate and Relocate Service Media
Activities to Fort Meade, Maryland

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Acronyms and Abbreviations

ACSIM	Assistant Chief of Staff for Installation Management
AFIS	American Forces Information Service
BRAC	Base Realignment and Closure
DMA	Defense Media Activity
IG	Inspector General
MILCON	Military Construction



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

November 14, 2008

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION,
TECHNOLOGY, AND LOGISTICS
UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF
FINANCIAL OFFICER
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL
MANAGEMENT AND COMPTROLLER)
DIRECTOR, DEFENSE MEDIA ACTIVITY
NAVAL INSPECTOR GENERAL
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Base Realignment and Closure 2005 Military Construction Project To Consolidate
and Relocate Service Media Activities to Fort Meade, Maryland
(Report No. D-2009-022)

We are providing this report for your information and use. We performed the audit in response to a request from the Director, Defense Media Activity Transition Team. We considered comments from the Army Office of the Assistant Chief of Staff for Installation Management and the Defense Media Activity when preparing the final report.

Comments on the draft of this report conformed to the requirements of DoD Directive 7650.3 and left no unresolved issues. Therefore, we do not require any additional comments.

We appreciate the courtesies extended to the staff. Please direct questions to Ms. Deborah L. Culp at (703) 604-9335 (DSN 664-9335) or Ms. Gwynne Roberts at (703) 604-9308 (DSN 664-9308). The team members are listed inside the back cover.

A handwritten signature in cursive script, reading "Richard B. Jolliffe", is positioned above the printed name.

Richard B. Jolliffe
Assistant Inspector General
Acquisition and Contract Management

November 14, 2008



Results in Brief: Base Realignment and Closure 2005 Military Construction Project To Consolidate and Relocate Service Media Activities to Fort Meade, Maryland

What We Did

Base Realignment and Closure (BRAC) Recommendation 141 consolidates and relocates Service media activities from various locations to Fort Meade, Maryland. We determined the accuracy of the 2005 BRAC military construction budget data for BRAC Recommendation 141. Specifically, we determined whether the proposed military construction project was based on valid BRAC requirements and whether the proposed military construction project was supported with required documentation, including an economic analysis that considered existing facilities.

What We Found

The Army generally had a valid BRAC requirement for BRAC Military Construction Project 64952, "Defense Media Activity."

However, the Army:

- lowered the square footage and cost estimates of BRAC Military Construction Project 64952, "Defense Media Activity," it originally submitted to Congress;
- included double-counted personnel in the project;
- included an organization that was not mentioned in BRAC Recommendation 141; and
- did not document the required economic analysis or the consideration of feasible alternatives at Fort Meade on the DD Form 1391.

What We Recommend

We recommend that the Army Assistant Chief of Staff for Installation Management:

- Notify the proper authorities of cost changes and revisions to internal documentation to eliminate the excess square footage resulting from double-counting of Marine Corps News personnel.
- Request the U.S. Marine Corps pay its share of about 2.75 percent of the project costs for including U.S. Marine Corps News personnel in Base Realignment and Closure Military Construction Project 64952, "Defense Media Activity."
- For future Base Realignment and Closure projects, follow the DoD Financial Management Regulation and Army Instructions by conducting an economic analysis when the project is first considered, justifying the user needs and unit cost with supporting documentation, and properly reviewing and validating the DD Form 1391.

Client Comments and Our Responses

The Army concurred with all three recommendations, stating that it has reduced the scope of the Defense Media Activity project and will conduct future BRAC projects in accordance with DoD and Army regulations. The U.S. Marine Corps is prepared to contribute its share of the project costs. We consider these comments to be responsive, and no additional comments are required. We also received comments from the Defense Media Activity. Please see the recommendations table on the back of this page.

Recommendations Table

Client	Recommendations Requiring Comment	No Additional Comments Required
The Army Assistant Chief of Staff for Installation Management		1., 2., 3.

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Introduction

Objectives

The overall objective was to determine the accuracy of 2005 Base Realignment and Closure (BRAC) military construction (MILCON) budget data. Specifically, we determined whether the proposed MILCON was based on valid BRAC requirements, whether the proposed MILCON was supported with required documentation, and whether the BRAC analysis considered existing facilities. We reviewed the one project undertaken in response to 2005 BRAC Recommendation 141, BRAC MILCON Project 64952, “Defense Media Activity.”

See Appendix A for scope and methodology and a review of internal controls, and Appendix B for prior coverage.

Background

Public Law 102-190, “National Authorization Act for Fiscal Years 1992 and 1993,” Part A, “Defense Base Closure and Realignment,” mandated that the DoD Inspector General (IG) investigate each military construction project. For BRAC 2005, Congress did not pass a law with a similar mandate. The Service audit organizations are auditing single-Service BRAC MILCON projects, while the DoD IG is reviewing selected multi-Service¹ projects and Defense-Wide Agencies and Activities projects. This report is one in a series of DoD IG audits of multi-Service projects, and was requested by the Director, Defense Media Activity Transition Team.

2005 Defense BRAC Commission Recommendation 141, Defense Media Activity

The Secretary of Defense’s 2005 BRAC Recommendation 141 stated:

Realign Fort Belvoir, VA [Virginia], by relocating Soldier Magazine to Fort Meade, MD [Maryland]. Realign Anacostia Annex, District of Columbia, by relocating the Naval Media Center to Fort Meade, MD. Realign 2320 Mill Road, a leased installation in Alexandria, VA, by relocating Army Broadcasting-Soldier Radio/TV to Fort Meade, MD. Realign 103 Norton Street, a leased installation in San Antonio, TX [Texas], by relocating Air Force News Agency-Army/Air Force Hometown News Service (a combined entity) to Fort Meade, MD. Close 601 North Fairfax Street, a leased installation in Alexandria, VA, by relocating the American Forces Information Service and the Army Broadcasting-Soldier Radio/TV to Fort Meade, MD. Consolidate

¹ Multi-Service projects involve the move of one or more Services’ Components or activities to another Service’s location.

Soldier Magazine, Naval Media Center, Army Broadcasting-Soldier Radio/TV, and the Air Force News Agency-Army/Air Force Hometown News Service into a single DoD Media Activity at Fort Meade, MD.

The Secretary of Defense's justification for this recommendation further stated:

This recommendation creates a new DoD Media Activity by consolidating a number of military department media organizations with similar missions into a new organization. It also collocates the American Forces Information Service (AFIS) with the new DoD Media Activity and the existing Defense Information School.

This recommendation meets several important Department of Defense objectives with regard to future use of leased space, rationalizing the presence of DoD activities within the NCR [National Capital Region], and enhanced security for DoD activities. The creation of a new DoD Media Activity as the result of consolidating a number of entities with similar missions promotes "jointness" and creates opportunities for cost savings and operational synergy. The co-location [sic] of AFIS with the new Activity will facilitate further consolidation of common support functions.

Implementation will reduce the Department's reliance on leased space, which has historically higher overall costs than government-owned space and generally does not meet antiterrorism force protection standards as prescribed in UFC [Unified Facilities Criteria] 04-010-01. The recommendation eliminates approximately 75,000 Usable Square Feet (USF) of leased administrative space. The relocation to a military installation that is outside the boundaries of the NCR provides a dispersion of DoD activities away from a dense concentration with [sic] the NCR. This, plus the immediate benefit of enhanced force protection afforded by a location within a military installation fence-line for those activities currently in leased space, will provide immediate compliance with force protection standards.

The BRAC Commission's findings stated:

The Commission found no reason to disagree with the recommendation of the Secretary of Defense.

Creation of the Defense Media Activity

The 2005 BRAC Recommendation 141, "Consolidate Media Organizations into a New Agency for Media and Publications," requires DoD to consolidate the Army Broadcasting Service, Soldiers Radio and TV, Soldiers Media Center, the Naval Media Center, the Air Force News Agency, and the Army and Air Force Hometown News Service into a new Defense Media Activity (DMA) located at Fort Meade, Maryland. It also requires the Department to collocate the Alexandria, Virginia, operations of the American Forces Information Service (AFIS), a DoD field organization under the Assistant Secretary of Defense, Office of Public Affairs, with the new facility at Fort Meade, Maryland.

To achieve the full transformational potential of the 2005 BRAC, the Deputy Secretary of Defense directed all of the above-mentioned organizations, along with media assets of the Marine Corps, to consolidate into a single entity reporting to the Assistant Secretary of Defense, Office of Public Affairs. This initiative will provide a streamlined organizational structure and opportunities for additional economies of scale in the execution of DoD media functions.

The mission of the DMA is fivefold.

- Provide a variety of informational products to DoD and external audiences, through all types of media.
- Communicate messages and themes from senior DoD leaders and spokespersons in order to support and improve quality of life and morale, promote situational awareness, and sustain readiness.
- Provide U.S. radio and television news, information, and entertainment programming to Armed Forces personnel and other authorized users.
- Provide high-quality visual information products depicting U.S. military activities and operations.
- Provide media-related education and training for military and civilian personnel in career fields that meet DoD-wide entry-level skills and long-term career development requirements.

DoD Agencies Involved in Developing the DMA

The Army, the U.S. Army Corps of Engineers, and the DMA Transition Team are working together to implement BRAC Recommendation 141. The Army is the executive agent for implementing Recommendation 141, developing the business plan, and developing the DD Form 1391, "Military Construction Project Data," for BRAC MILCON Project 64952, "Defense Media Activity."

The U.S. Army Installation Management Command at Fort Meade is responsible for performing an economic analysis for BRAC MILCON Project 64952, "Defense Media Activity." The U.S. Army Installation Management Command Master Planner should provide documentation of an economic analysis to be included in the DD Form 1391 for BRAC MILCON Project 64952, "Defense Media Activity."

The U.S. Army Corps of Engineers Baltimore District is the construction agent for BRAC MILCON Project 64952, "Defense Media Activity." The U.S. Army Corps of Engineers documented the October 2007 design charrette² that was held at Fort Meade in the Design Charrette Memorandum.

The DMA Transition Team was established by the Assistant Secretary of Defense for Public Affairs memorandum, "BRAC Realignment and Organizational Transformation," December 5, 2006. The memorandum states that the Transition Team is responsible for

² A charrette is an intensive collaborative planning process that includes all interested parties. The design charrette for Project 64952 was held at Fort Meade, Maryland, on October 10 and 11, 2007.

developing and managing the execution of business plans for the DMA project. The DMA Transition Team is composed of Service and Office of Public Affairs representatives, and a number of expert consultants. The DMA Transition Team Service representatives are responsible for serving as a liaison between the Transition Team and their Service, providing Service-unique perspectives, coordinating proposals, and issuing papers and draft documents in advance of formal staffing for the DMA.

Military Construction

DoD Financial Management Regulation 7000.14-R, volume 2B, chapter 6, “Military Construction/Family Housing Appropriations,” June 2006, requires that each proposed MILCON project be supported by a “Military Construction Project Data,” DD Form 1391. DoD Financial Management Regulation 7000.14-R, volume 2B, chapter 7, “Base Realignment and Closure Appropriations,” June 2007, requires the Services and the Defense-Wide Agencies and Activities to provide in their budget request to Congress a DD Form 1391 for each BRAC MILCON project. The Army submitted the *Department of Army DoD Base Realignment and Closure 2005 Commission Fiscal Year 2008/2009 Budget Estimates Justification Data Submitted to Congress*, hereafter referred to as the 2008/2009 J-Book, and the *Department of Army DoD Base Realignment and Closure 2005 Commission Fiscal Year 2009/2010 Budget Estimates Justification Data Submitted to Congress*, hereafter referred to as the 2009/2010 J-Book, for congressional approval of amounts budgeted for 2005 BRAC implementation.

Army Regulation 415-15, “Army Military Construction Program Development and Execution,” June 12, 2006, states:

- [DD Form 1391] is the principal DoD and Army construction project justification document.
- [DD Form 1391] must be clear, concise, logical, and complete and must effectively describe, justify, and price the project.

In addition, major Army Commands, the Department of the Army, and the U.S. Army Corps of Engineers are required to review the need for each proposed MILCON project and to confirm that the proposed project is the most cost-effective means of satisfying the requirement.

Army Regulation 405-70, “Utilization of Real Property,” May 12, 2006, states: “When space or facilities are to be acquired on an Army installation, the requesting tenant unit or activity commander must justify all requirements to the installation commander.” The activity commander uses DD Form 1450, “DoD Space Requirements,” for the justification of requirements. The DD Form 1450 includes current authorized personnel of an organization classified by pay grade or rank, and current square footage by type of space. The commanders from each organization that is relocating to the DMA completed a DD Form 1450 for justification of space requirements.

Department of the Army Pamphlet 415-3, "Economic Analysis: Description and Methods," August 10, 1992, states:

- Every Army MILCON project must be supported by an economic analysis if an alternative to a proposed project exists. An economic analysis is the study of alternative ways of meeting a requirement by comparing costs and benefits.
- If no other feasible options exist, a comparison is not possible. However, it is rare that a proposed project does not have any feasible alternatives. In all cases, the mission objective must be determined, and possible alternatives to the project must be investigated.
- Economic analysis is to be documented in Section 11 of the DD Form 1391.

The Memorandum from the Principal Under Secretary of Defense, "Base Realignment and Closure (BRAC) 2005 Implementation Planning," dated September 21, 2005, states that implementing the BRAC 2005 recommendations requires detailed plans that delineate required actions, their timing, and necessary resources. These plans are referred to as business plans and are the basis for allocating BRAC resources. This memorandum also states that a DD Form 1391 must be completed and included in the business plan for a MILCON project.

The Memorandum from the Under Secretary of Defense, "Base Realignment and Closure (BRAC) 2005 Updated Business Plans," dated June 22, 2007, states that changes to the business plans are to be submitted to the Office of the Secretary of Defense BRAC Office to support program and budget reviews in February and August until implementation is complete. The February submission is to reflect changes made to the plans by the preceding budget review, while the August submission goes to the Office of the Secretary of Defense BRAC Office for the next Planning, Programming, Budgeting, and Execution process.

Finding: BRAC 2005 Military Construction Project 64952, “Defense Media Activity”

The Army submitted a valid requirement to create a new Defense Media Activity by consolidating Military Department media organizations into a new organization. Initially, the Army could not justify the requirements for the new organization; however, the DMA Transition Team made improvements to the supporting documentation to substantiate the requirement. The Army did not provide adequate support for BRAC MILCON Project 64952, “Defense Media Activity” in its DD Form 1391 for Recommendation 141, “Consolidate Media Organizations into a New Agency for Media and Publications.” The Army did not:

- accurately present the number of BRAC MILCON personnel moving to the DMA,
- completely justify square footage payable by BRAC MILCON dollars for BRAC MILCON Project 64952, “Defense Media Activity,” or
- document an economic analysis.

Because the Army initially did not accurately present the requirements for the 2005 BRAC MILCON Recommendation 141 to Congress, the Army could neither ensure that the DMA facility had the correct square footage, nor ensure that the estimated cost for constructing the DMA was accurate. The Army subsequently has taken action to correct the inaccuracies in order to present a more realistic representation of actual square footage and costs. However, the U.S. Army Installation Management Command at Fort Meade did not provide documentation of an economic analysis; therefore, the Army cannot be completely confident that the new building will be the most cost-effective option.

Requirements for the New Organization

The Office of the Secretary of Defense is creating a new Defense Media Activity with its BRAC Recommendation 141. The Army meets the intent of the recommendation with BRAC MILCON Project 64952, “Defense Media Activity,” and the project concept is a valid requirement. The Army promotes “jointness,” and creates opportunities for cost savings and operational synergy by consolidating a number of entities with similar missions into a new Defense Media Activity.

However, the Army Office of the Assistant Chief of Staff for Installation Management (ACSIM) initially submitted an inaccurate project to Congress. The Army Office of ACSIM initially eliminated all general-purpose³ space for BRAC MILCON Project 64952, “Defense Media Activity,” to keep estimated costs down for the

³ General-purpose space includes “Administrative Facility,” “Computer Center,” “IT Communications Center,” “Enclosed Vehicle Storage,” “Controlled Humidity Warehouse,” and “Plant/Utilities Building,” the line-item categories used in DD Forms 1391 for BRAC Military Construction Project 64952, “Defense Media Activity.”

2008/2009 J-Book. The Army Office of the ACSIM did not include a DD Form 1391 in the original approved business plan, as required. The Army included Marine Corps News personnel, who were not part of the original BRAC Recommendation 141. Therefore, we determined that the original documentation used to justify the new organization was inadequate to support the number of personnel, the square footage, or the cost estimates associated with the project.

In November 2006, the Army Office of the ACSIM asked the DMA Transition Team to create a DD Form 1391 based on the approved business plan. The Army Office of the ACSIM was aware that the budget documentation was inaccurate and unsupported for BRAC MILCON Project 64952, "Defense Media Activity," but submitted the documentation to Congress in the 2008/2009 J-Book. Officials from the Army Office of the ACSIM told the DMA Transition Team that any changes to the DD Form 1391 and business plan could be included in future updates. The Chairman of the Infrastructure Steering Group signed a memo on June 22, 2007, that stated that updates to the business plans must be made in February and August of each year until the project is completed. Subsequently, in the 2009/2010 J-Book, the Army Office of the ACSIM included the space that initially had been eliminated and updated the estimated cost from \$47 million to \$61 million.

Project Costs of the Defense Media Activity

The Army initially lowered the estimated cost submitted in the 2008/2009 J-Book by eliminating square footage totals from the line items of the DD Form 1391 for BRAC MILCON Project 64952, "Defense Media Activity." The Army eliminated all general-purpose "Administrative Facility," "Computer Center," "IT Communications Center," "Enclosed Vehicle Storage," "Controlled Humidity Warehouse," and "Plant/Utilities Building" square footage from the DD Form 1391 for the project. According to the Principal Under Secretary of Defense memorandum, "BRAC 2005 Implementation Planning," September 21, 2005, a DD Form 1391 must be completed and included in a business plan for MILCON projects. The Army did not have a DD Form 1391 included in its initial business plan. In November 2006, the Army requested that the DMA Transition Team revise the estimated cost in a DD Form 1391 that had been created during an October 2006 planning charrette from \$70 million to \$47 million. The Army needed to develop a DD Form 1391 showing a total cost of \$47 million for the 2008/2009 J-Book that matched the approved business plan. The DMA Transition Team questioned the accuracy of the Army's business plan and was unable to reduce the estimated costs on the DD Form 1391 to align with those in the business plan without eliminating necessary square footage.

In January 2007, the Army created a DD Form 1391 using the lower cost amounts from its January 2006 business plan. The Army eliminated all planned space from general-purpose "Administrative Facility," "Computer Center," "IT Communications Center," "Enclosed Vehicle Storage," "Controlled Humidity Warehouse," and "Plant/Utilities Building" in the DD Form 1391 to lower estimated costs and be in alignment with the approved business plan. The Army submitted the DD Form 1391 to Congress in 2007 for

inclusion in the 2008/2009 J-Book with a total of 111,625 square feet and an estimated cost of \$47 million. The square footage and estimated cost were unrealistic and inaccurate.

In January 2008, the Army included the previously removed line items and square footage in the DD Form 1391 for the 2009/2010 J-Book, resulting in a total square footage of 185,870 and an estimated cost of \$61 million. The Army's inclusion of previously removed square footage increased the total square footage of the project by 74,245 square feet. The Army presented a more realistic depiction of the BRAC MILCON Project 64952, "Defense Media Activity," details to Congress by including this square footage.

Inclusion of the Marine Corps News

In February 2007, the Marine Corps News and the DMA Transition Team expressed a mutual interest in including the Marine Corps News in the DMA to be located at Fort Meade. The Deputy Secretary of Defense signed a memo on September 24, 2007, that included the Marine Corps News as a part of the DMA, even though the Marine Corps News was not part of BRAC Recommendation 141. The Deputy Secretary of Defense included the Marine Corps News with the activities listed in Recommendation 141 to make more efficient use of the recommendation and make the DMA a purple-suited⁴ organization.

The Army cannot use BRAC MILCON dollars to pay for the Marine Corps News portion of the construction because the Marine Corps News was not part of Recommendation 141 and was not approved by the BRAC Commission or the Secretary of Defense. The Army is currently including 26 personnel in the BRAC MILCON supporting documentation who cannot be paid for with BRAC MILCON dollars. The Army is including 18 Marine Corps News personnel who were not part of Recommendation 141, and the Naval Media Center overstated its personnel by 8.

Documentation of Project Personnel, Square Footage, and Economic Analysis

The Army does not have accurate supporting documentation for total personnel or square footage for BRAC MILCON Project 64952, "Defense Media Activity." The Army included 26 personnel who cannot be paid for with BRAC dollars. The Army included the Marine Corps News in BRAC MILCON Project 64592, "Defense Media Activity," adding 18 personnel to the project. Additionally, Naval Media Center officials overstated the number of personnel moving to the DMA in the DD Form 1450 they submitted for the project. We compared manning documents with the Naval Media Center DD Form 1450 and identified an overstatement of eight personnel by the Naval Media Center.

⁴ A military function or organization that uses resources from the various branches—Army, Air Force, Navy, and Marine Corps.

The Deputy Secretary of Defense included the Marine Corps News as a part of the DMA, which will be relocated to Fort Meade. However, the Marine Corps News cannot be paid for with BRAC MILCON dollars. The Army's including the Marine Corps News in the BRAC MILCON personnel calculations and the Naval Media Center's overstating personnel by eight people affected the calculation of BRAC MILCON square footage. We calculated the correct square footage of 183,314 for the portion of the DMA facility that can be paid for with BRAC MILCON dollars. The Army overstated the space to be paid for with BRAC dollars by 2,556 square feet. In addition, the Army's inaccurate square footage affected the calculation of the estimated BRAC MILCON project cost. The Army overstated estimated BRAC MILCON costs by about \$833,000 in the 2009/2010 J-Book.

Personnel

The Army incorrectly included the Marine Corps News and the eight Naval Media Center personnel in the total personnel for the BRAC MILCON Project 64952, "Defense Media Activity." The Naval Media Center included eight personnel on its DD Form 1450 who are part of Marine Corps News. Therefore, the Naval Media Center double-counted eight Marine Corps News personnel. The 8 double-counted Marine Corps News personnel and the 18 Marine Corps News personnel total the overstatement of 26 personnel for the BRAC MILCON portion of the DMA.

The DMA Transition Team provided DD Forms 1450 that were prepared by the agencies moving to the DMA, and these forms listed by agency the number of personnel moving to the DMA. The DD Forms 1450 listed a total of 645 personnel. We reviewed the manning documents that supported the DD Forms 1450 and identified a discrepancy in one DD Form 1450 of eight people, because the Naval Media Center double-counted eight Marine Corps News personnel. The Marine Corps News did not prepare a DD Form 1450, because it was not part of BRAC Recommendation 141. The Army added the 18 Marine Corps News personnel to BRAC MILCON Project 64952, "Defense Media Activity" in February 2007, bringing the total personnel for the DMA facility to 663.

The Secretary of Defense did not include the Marine Corps News in his recommendation to the 2005 BRAC Commission. The Deputy Secretary of Defense later added the Marine Corps News to the DMA to provide a streamlined organizational structure and opportunities for additional economies of scale in the execution of DMA functions. However, the Marine Corps, not being part of the original recommendation, has no BRAC MILCON dollars to use toward the construction of the DMA facility. The Marine Corps should provide MILCON dollars to fund its part of the DMA construction costs.

Table 1 provides a comparison of personnel totals shown on the DD Forms 1450 as moving to the DMA with the personnel authorized to be paid for by BRAC MILCON dollars.

Table 1. Personnel Comparison

Activity	Personnel in DD Forms 1450	Total Personnel Moving to DMA	Personnel Authorized for BRAC MILCON
Air Force News	150	150	150
Naval Media Center	149	141 ¹	141
Soldiers Media Center	86	86	86
AFIS	260	260	260
Marine Corps News	18 ²	18	0 ³
Total	663	655	637

¹ Reflects double-counting of eight U.S. Marines Corps personnel working at Naval Media Center.

² Marine Corps News did not submit a DD Form 1450. This number reflects total personnel expected to move to DMA.

³ The Marine Corps News is not part of BRAC Recommendation 141 and is not authorized BRAC MILCON funding.

The Army should correct the number of personnel for the DMA facility by eliminating the eight double-counted personnel and by eliminating Marine Corps News personnel from the BRAC MILCON portion of the personnel count. A correct count of personnel moving to the DMA is necessary because it directly affects the size of the building itself. The Naval Media Center's double-counting of 8 Marine Corps News personnel and the inclusion of the 18 Marine Corps News personnel led to an incorrect calculation of square footage needed for the new facility.

Additionally, the Army should obtain funding from the U.S. Marine Corps to pay for the addition of the Marine Corps News to the DMA project. The Marine Corps News should pay its share of the prorated amount for the facility. The Marine Corps News has 18 out of the 655 personnel moving to the DMA facility, or about 2.75 percent of the people. The Marine Corps News should pay about 2.75 percent of the total cost of the facility. The Marine Corps News will owe about \$1.68 million for its portion of the DMA, if the project cost remains at \$61 million.

Square Footage

The Army did not provide adequate support for the square footage listed in the DD Form 1391 for BRAC MILCON Project 64952, "Defense Media Activity." Each organization that is relocating to the DMA provided the DMA Transition Team with a DD Form 1450 that lists the positions moving to the new facility at Fort Meade. However, the organizations provided no supporting documentation for the square footage those positions need.

The U.S. Army Corps of Engineers substantiated the square footage numbers in an October 11, 2007, Design Charrette Memorandum, but the numbers in the memorandum did not match the DD Form 1391 line-item totals for square footage. The U.S. Army

Corps of Engineers did not break down the Design Charrette Memorandum into the same line items that were shown in the DD Form 1391. The DMA Transition Team created a spreadsheet to put the items from the Design Charrette Memorandum into the appropriate DD Form 1391 line-item categories. The DMA Transition Team worked cooperatively with the IG audit team to correct inaccuracies in the spreadsheet.

The DMA Transition Team was able to reconcile the differences between the Design Charrette Memorandum and the 2009/2010 J-Book DD Form 1391; however, the DMA Transition Team created the spreadsheet based on the incorrect number of personnel moving to the DMA (663), not on the correct BRAC MILCON number of personnel (637). The DMA Transition Team overstated media production space for BRAC MILCON Project 64952, "Defense Media Activity," by 2,556 square feet. The DMA Transition Team included the Marine Corps News, which was 2,044 square feet according to the Design Charrette Memorandum, but the Marine Corps News was not part of BRAC Recommendation 141. The DMA Transition Team also included 8 double-counted personnel from the Naval Media Center's DD Form 1450, adding 512 square feet (which we calculated by multiplying the 8 people times 64 square feet per person, the number of square feet allotted per person in media production, as shown in the Design Charrette Memorandum).

Table 2 shows the differences among the 2008/2009 J-Book DD Form 1391 square footage, the 2009/2010 J-Book DD Form 1391 square footage, the DMA Transition Team spreadsheet square footage, the total MILCON square footage (which includes the Marine Corps News), and the BRAC MILCON square footage totals.

Table 2. Square Footage Comparison

Line Item	2008/2009 J-Book DD Form 1391	2009/2010 J-Book DD Form 1391	DMA Transition Team Spreadsheet*	Total MILCON	Total BRAC MILCON
Administrative Facility	-	55,565	51,675	51,675	51,675
Media Production Facility	52,524	47,524	51,441	50,929	48,885
Televideo Center	58,821	55,021	51,640	51,640	51,640
Computer Center	-	4,000	5,109	5,109	5,109
IT Communications Center	-	1,980	2,475	2,475	2,475
Enclosed Vehicle Storage	-	7,500	7,500	7,500	7,500
Antenna Facilities Building	280	280	280	280	280
Controlled Humidity Warehouse	-	7,000	8,750	8,750	8,750
Plant/Utilities Building	-	7,000	7,000	7,000	7,000
Total	111,625	185,870	185,870	185,358	183,314

*The spreadsheet was created to reconcile the differences between the Design Charrette Memorandum and the 2009/2010 J-Book DD Form 1391.

The Army should use the valid number of 655 total personnel to calculate the total of 185,358 square feet for the total MILCON project square footage. The Army should eliminate the 18 Marine Corps News personnel and use the valid number of 637 BRAC MILCON personnel to calculate the total of 183,314 square feet that can be paid for with BRAC dollars.

The Army used an incorrect number of personnel to calculate costs in the 2008/2009 and 2009/2010 J-Book DD Forms 1391. In addition, the DMA Transition Team used an incorrect number of personnel when creating the spreadsheet that reconciled the differences between the Design Charrette Memorandum and the 2009/2010 J-Book DD Form 1391. We calculated the adjusted square footage for authorized BRAC MILCON Project 64952, "Defense Media Activity," by multiplying the valid number of 637 personnel by the square footage allotments shown in the Design Charrette Memorandum.

Table 3 shows a comparison of the estimated costs of the line items in the 2008/2009 J-Book DD Form 1391, the 2009/2010 J-Book DD Form 1391, the DMA Transition Team spreadsheet, the total MILCON cost (including Marine Corps News), and the total BRAC MILCON cost.

Table 3. Comparison of Estimated Costs (in \$000)

Line Item	2008/2009 J-Book DD Form 1391	2009/2010 J-Book DD Form 1391	DMA Transition Team Spreadsheet*	Total MILCON	Total BRAC MILCON
Administrative Facility	-	10,168	9,456	9,456	9,456
Media Production Facility	10,854	9,132	9,885	9,786	9,394
Televideo Center	15,453	13,641	12,803	12,803	12,803
Computer Center	-	946	1,208	1,208	1,208
IT Communications Center	-	436	545	545	545
Controlled-Humidity Warehouse	-	664	830	830	830
Enclosed Vehicle Storage	-	507	507	507	507
Antenna Facilities Building	307	167	167	167	167
Plant/Utilities Building	-	1,271	1,271	1,271	1,271
Standby Generator	-	543	543	543	543
Energy Management Control System Connection	306	509	509	509	509
Intrusion Detection System Installation	153	152	152	152	152
Sustainable Design and Development, and Energy Policy Act 2005	-	730	730	730	730
Antiterrorism Measures	2,406	1,325	1,325	1,325	1,325
Building Information Systems	122	4,484	4,484	4,484	4,484
Electric Service	1,373	2,673	2,673	2,673	2,673
Water, sewer, gas	785	285	285	285	285
Steam and Chilled Water Distribution	-	74	74	74	74
Paving, Walks, Curbs and Gutters	3,147	2,047	2,047	2,047	2,047
Storm Drainage	587	287	287	287	287
Site Imp	4,698	3,621	3,621	3,621	3,621
Information Systems	389	1,598	1,598	1,598	1,598
Antiterrorism Measures	102	102	102	102	102
Subtotal	40,682	55,362	55,102	55,003	54,611
Contingency (5%)	2,034	2,768	2,755	2,750	2,731
Subtotal	42,716	58,130	57,857	57,753	57,342
Supervision, Inspection & Overhead (5.7 %)	2,435	3,313	3,298	3,292	3,268
Design/Build Design Cost	1,709	-	-	-	-
Total	46,860	61,443	61,115	61,045	60,610
Total Rounded	47,000	61,000	61,000	61,000	61,000

*The spreadsheet was created to reconcile the differences between the Design Charrette Memorandum and the 2009/2010 J-Book DD Form 1391.

The Army did not show accurate supporting documentation for the line items of the 2009/2010 J-Book DD Form 1391; therefore, the line-item square footage totals and total estimated costs were incorrect. The Army should revise the internal documentation to show corrected line-item amounts and notify the proper authorities of the changes.

Economic Analysis

The U.S. Army Installation Management Command at Fort Meade did not indicate evidence of an economic analysis in Section 11 of the DD Form 1391 as required by Department of the Army Pamphlet 415-3. Command officials included the following statement about alternative options in the “Current Situation” section of the 2009/2010 J-Book DD Form 1391: “Existing permanent administrative facilities are fully utilized and other on-post structures are unsuitable or uneconomical for renovation and conversion. Short-term use of interim on-post or leased off-post facilities is not feasible.” Command officials further stated in that DD Form 1391: “Alternative methods of meeting this requirement have been explored during project development. This project is the only feasible option to meet the requirement.” Command officials stated they considered alternative options, but did not provide documentation of an economic analysis for BRAC MILCON Project 64952, “Defense Media Activity.”

Command officials stated that they considered the renovation of four buildings located at Fort Meade as alternatives for BRAC MILCON Project 64952. Further, the Army stated that any renovation would be contingent on the approval of MILCON Project 55706I, “902 Division Military Intelligence Group Headquarters and Operations Center,” which would accommodate personnel that would move from the four buildings that were considered as alternatives for BRAC MILCON Project 64952. The Army officials explained that, because they did not receive approval for MILCON Project 55706I, personnel remained in the four buildings. Therefore, the Army considered the alternatives to BRAC MILCON Project 64952 infeasible. One of the four buildings that the Army originally considered as an alternative was badly damaged by fire in 2006, and all personnel that were stationed there were moved to other buildings. The Army noted the possibility that the building could be renovated, but as of July 31, 2008, the building had been condemned and slated for demolition.

Command officials stated that no economic analysis was completed or documented because they identified no feasible alternatives to BRAC MILCON Project 64952. However, the Army did not provide adequate documentation of the consideration of alternatives.

As a result, the Installation Management Command did not demonstrate that the location of BRAC MILCON Project 64952, “Defense Media Activity” at Fort Meade was the most cost-effective way to meet the mission requirements of BRAC Recommendation 141. The U.S. Army Installation Management Command should document completion of an economic analysis in Section 11 of a DD Form 1391 for all future BRAC projects.

Management Action Taken

In September 2008, the DMA Transition Team officials stated that the cost estimates had increased to \$83 million in the revised DD Form 1391. The DMA Transition Team officials stated that the request for proposal for construction of the building was issued, and the estimated contract award date for the project is January 20, 2009.

Conclusion

Generally, the Army submitted a valid requirement for Recommendation 141, “Consolidate Media Organizations into a New Agency for Media and Publications,” with BRAC MILCON Project 64952, “Defense Media Activity.” However, the Army initially eliminated square footage solely to lower estimated costs in the 2008/2009 J-Book to match the estimated MILCON costs shown in the business plan. The DMA Transition Team worked cooperatively with the IG audit team to support the line-item categories during the review. However, the Army still included 8 double-counted personnel from the Naval Media Center and the 18 Marine Corps News personnel in the total for BRAC MILCON Project 64952, “Defense Media Activity.” This inclusion led to an overstatement in the BRAC MILCON space requirement of 2,556 square feet and an overstatement in estimated BRAC MILCON costs of \$833,000 in the 2009/2010 J-Book DD Form 1391. Further, Army officials did not document an economic analysis comparing all feasible alternatives.

Client Comments on the Finding and Our Response

Army Comments on an Economic Analysis

The Army Deputy ACSIM stated that the Army disagrees with the section of the finding discussion of our draft report about the completion of an economic analysis. He stated that the Army believes an exception to the requirement of an economic analysis existed for BRAC Recommendation 141. He stated that planners considered alternatives to new construction, but none were feasible. The Army Deputy ACSIM stated that Fort Meade has no excess buildings, and therefore, the Army did not have the option to renovate existing facilities to accommodate the DMA. The Army believed no economic analysis was needed because the only option was to build new.

Our Response

While we agree that an economic analysis may not have been feasible, the Army did not provide adequate documentation that the placement of BRAC MILCON Project 64952, “Defense Media Activity,” at its current location at Fort Meade was the most cost-effective way to meet the mission requirements of BRAC Recommendation 141.

Recommendations, Client Comments, and Our Response

We recommend that the Army Assistant Chief of Staff for Installation Management:

1. Notify the proper authorities of cost changes and revisions to internal documentation to eliminate the excess square footage resulting from double-counting of Marine Corps News personnel.

Army Comments

The Army Deputy ACSIM agreed with the recommendation to reduce the scope of the project and noted the Army had used a lower square footage of 178,086 in a September 2008 request for proposal.

Our Response

The comments were responsive, and no further comments are required.

Defense Media Activity Comments

Although not required to comment, the DMA Deputy Director agreed with the recommendation and stated that the project scope has been reduced to 178,086 square feet.

Our Response

We accept the DMA Deputy Director's comment as further evidence that the Army Office of ACSIM is taking the necessary steps to reduce the scope of the project.

2. Request the U.S. Marine Corps to pay its share of about 2.75 percent of the project costs for the inclusion of the U.S. Marine Corps News personnel in Base Realignment and Closure Military Construction Project 64952, "Defense Media Activity."

Army Comments

The Army Deputy ACSIM agreed with the recommendation and stated that the U.S. Marine Corps is prepared to contribute its fair share of the project costs.

Our Response

The comments were responsive, and no further comments are required.

Defense Media Activity Comments

Although not required to comment, the DMA Deputy Director agreed with the recommendation and stated that the U.S. Marine Corps is ready to contribute its fair share of facility costs in FY 2010.

Our Response

We accept the DMA Deputy Director's comment as further evidence that the U.S. Marine Corps is ready to contribute its share of the project costs.

3. For future Base Realignment and Closure projects, follow the DoD Financial Management Regulation and Army Instructions by conducting an economic analysis when the project is first considered, justifying the user needs and unit cost with supporting documentation for the DD Form 1391.

Army Comments

The Army Deputy ACSIM agreed with the recommendation and stated that severe time constraints forced the Army to make assumptions about the cost and scope of the DMA facility that may have precluded strict adherence to regulatory requirements. He stated that future projects will be conducted in accordance with the DoD Financial Management Regulation and Army Instructions.

Our Response

The comments were responsive, and no further comments are required.

Appendix A. Scope and Methodology

We conducted this performance audit from October 2007 through September 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our finding and conclusion based on our audit objectives.

We conducted this audit at the request of the Director, DMA Transition Team to review the 2005 Defense BRAC Recommendation 141. BRAC Recommendation 141 states that Defense media organizations are to consolidate and relocate to Fort Meade, Maryland. Army planning officials created BRAC MILCON Project 64952, “Defense Media Activity,” to fulfill this BRAC mission. We conducted this audit to determine the accuracy of the MILCON budget data for the project.

We met with officials and toured the facilities at losing sites and met with officials at the gaining site. We held meetings and working sessions with DMA Transition Team officials at AFIS in Alexandria, Virginia. We met with officials at the Naval Media Center, Washington, D.C.; Soldiers Media Center, Arlington, Virginia; U.S. Marine Corps, Arlington, Virginia; and Air Force News, San Antonio, Texas; Army Office of the ACSIM in Arlington, Virginia; Fort Meade Installation Management Command in Fort Meade, Maryland; and the U.S. Army Corps of Engineers in Baltimore, Maryland.

We reviewed DoD and Army criteria pertaining to BRAC MILCON cost estimates, economic analysis, review and validation, required documentation, and budget reporting:

- DoD Financial Management Regulation 7000.14-R, volume 2B, chapter 6, “Budget Formulation and Presentation,” June 2006;
- DoD Financial Management Regulation 7000.14-R, volume 2B, chapter 7, “Budget Formulation and Presentation,” June 2006;
- Unified Facilities Criteria 3-701-07, *DoD Facilities Pricing Guide*, July 2, 2007;
- Unified Facilities Criteria 2-000-05N, “Facility Planning Criteria for Navy/Marine Corps Shore Installations,” January 31, 2005;
- Principal Under Secretary of Defense Memorandum, “Base Realignment and Closure (BRAC) 2005 Implementation Planning,” September 21, 2005;
- Army Regulation 405-70, “Real Estate: Utilization of Real Property,” May 12, 2006;
- Army Regulation 415-15, “Army Military Construction Program Development and Execution,” October 25, 1999;
- Department of the Army Pamphlet 415-3, “Economic Analysis: Description and Methods,” August 10, 1992;

- Engineering and Construction Bulletin 2003-8, revision 1, “DD Forms 1391 Preparation Planning Charrette Process,” November 6, 2003; and
- Engineer Technical Letter 415-3-1, “DD Forms 1391 Review and Certification Standard Operating Procedure,” June 30, 2000.

Additionally, we reviewed 2005 BRAC Recommendation 141, “Consolidate Media Organizations into a New Agency for Media and Publications,” the Department of the Army 2008/2009 J-Book dated February 2007, and the Department of the Army 2009/2010 J-Book dated February 2008.

We compared the MILCON budget data submitted on the DD Forms 1391 with applicable criteria to determine whether the data were accurate, whether the project was valid and supported, and whether the BRAC analysis considered existing facilities. We:

- reviewed the approved business plan, reviewed the 2008/2009 and 2009/2010 J-Book DD Forms 1391, and Recommendation 141;
- compared supporting documentation such as the Design Charrette Memorandum and the DMA Transition Team Spreadsheet to the line items of the DD Forms 1391;
- analyzed the DD Forms 1391 for economic analysis documentation; and
- requested related economic analysis from U.S. Army Installation Management Command.

Specifically, we reviewed the supporting documentation for the number of authorized personnel and the accuracy of the administrative square footage and cost calculations. We traced full-time equivalents from each media organization from the DD Forms 1450 to the organization manning documents by comparing billet numbers, billet titles, and grade and rank. We verified the full-time equivalents against the square footage calculations provided in the DMA Design Charrette Memorandum and verified the calculations against square footage criteria in Army Regulation 405-70, “Utilization of Real Property.” We analyzed the estimated cost calculations for clerical errors.

We created tables that show differences among the personnel, square footage, and cost totals that we calculated and the supporting documentation that was provided to us by the DMA Transition Team. We accepted the Army’s costs of unique line items in our calculations. We did not determine whether the DMA accurately portrayed the optimum number of full-time equivalents needed to accomplish the mission of the organization.

Review of Internal Controls

We determined that an internal control weakness in the BRAC MILCON Project 64952, Defense Media Activity,” existed as defined by DoD Instruction 5010.40, “Managers’ Internal Control (MIC) Program Procedures,” January 4, 2006. The identified internal control weakness is not material. The Army’s internal controls were not properly implemented because the Army did not follow the guidance issued by the Principal Under Secretary of Defense in the September 21, 2005, memorandum, “BRAC 2005 Implementation Planning.” Army officials did not follow the guidance in developing the business plan for the Defense Media Activity; that guidance requires that a

DD Form 1391 be included upon submission. In addition, the Army did not follow established criteria for documenting the economic analysis or considering feasible alternatives for the Defense Media Activity. Implementing Recommendations 1., 2., and 3. should correct these weaknesses.

Use of Computer-Processed Data

We did not use computer-processed data to perform this audit.

Appendix B. Prior Coverage

During the last 5 years, the Government Accountability Office (GAO), the Army Audit Agency, the Naval Audit Service, and the Air Force Audit Agency have issued 54 reports discussing the Defense BRAC MILCON. Unrestricted GAO reports can be accessed over the Internet at <http://www.gao.gov>. Unrestricted Army, Navy, and Air Force reports can be accessed at <http://www.hqda.army.mil/aaaweb>, <http://www.hq.navy.mil/navalaudit>, and <http://www.afaa.hq.af.mil>.

GAO

GAO Report No. GAO-08-159, “Military Base Realignments and Closures: Cost Estimates Have Increased and Are Likely to Continue to Evolve,” December 2007

GAO Statement No. GAO-05-905, “Military Bases: Observations on DoD’s 2005 Base Realignment and Closure Selection Process and Recommendations,” July 18, 2005

GAO Statement No. GAO-05-614, “Military Base Closures: Observations on Prior and Current BRAC Rounds,” May 3, 2005

GAO Report No. GAO-05-138, “Military Base Closures: Updated Status of Prior Base Realignments and Closures,” January 2005

Army

Army Audit Agency Report No. A-2008-0224-ALI, “Base Realignment and Closure 2005 Construction Requirements: U.S. Army Forces Command and U.S. Army Reserve Command Headquarters Building,” August 21, 2008

Army Audit Agency Report No. A-2008-0214-ALI, “Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center Fort Hamilton, New York,” August 21, 2008

Army Audit Agency Report No. A-2008-0205-ALI, “Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center Missoula, Montana,” August 4, 2008

Army Audit Agency Report No. A-2008-0125-ALI, “Base Realignment and Closure 2005 Construction Requirements: Vehicle Maintenance Complex Fort Bragg, North Carolina,” July 31, 2008

Army Audit Agency Report No. A-2008-0194-ALI, “Base Realignment and Closure 2005 Construction Requirements: Headquarters, 1st Armor Training Brigade Fort Benning, Georgia,” July 28, 2008

Army Audit Agency Report No. A-2008-0124-ALI, “Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Greenlief Training Site, Hastings, Nebraska,” July 9, 2008

Army Audit Agency Report No. A-2008-0181-ALI, “Base Realignment and Closure 2005 Construction Requirements: Restationing the Air Defense Artillery School, Fort Sill, Oklahoma,” July 7, 2008

Army Audit Agency Report No. A-2008-0183-ALI, “Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Scranton, Pennsylvania,” July 2, 2008

Army Audit Agency Report No. A-2008-0171-ALI, “Base Realignment and Closure 2005 Construction Requirements: Combat Aviation Brigade Complex, Fort Bliss, Texas,” June 23, 2008

Army Audit Agency Report No. A-2008-0126-ALI, “Base Realignment and Closure 2005 Construction Requirements: 4th Brigade Combat Team Complex, Fort Bragg, North Carolina,” June 9, 2008

Army Audit Agency Report No. A-2008-0130-ALO, “Base Realignment and Closure 2005 Construction Requirements: Consolidated Health/Dental Clinic, Fort Riley, Kansas,” May 27, 2008

Army Audit Agency Report No. A-2008-0131-ALO, “Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center McAlester Army Ammunition Plant, Oklahoma,” May 13, 2008

Army Audit Agency Report No. A-2008-0129-ALO, “Base Realignment and Closure 2005 Construction Requirements: Airfield Pavement Repair, Fort Riley, Kansas,” May 13, 2008

Army Audit Agency Report No. A-2008-0128-ALO, “Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Fort Totten, New York,” May 12, 2008

Army Audit Agency Report No. A-2008-0122-ALI, “Base Realignment and Closure 2005 Construction Requirements: First Brigade Combat Team Complex, Fort Bliss, Texas,” May 5, 2008

Army Audit Agency Report No. A-2008-0112-ALI, “Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Middletown, Connecticut,” April 29, 2008

Army Audit Agency Report No. A-2008-0117-ALI, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Grand Prairie Reserve Complex, Texas," April 23, 2008

Army Audit Agency Report No. A-2008-0095-ALO, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Cedar Rapids, Iowa," March 20, 2008

Army Audit Agency Report No. A-2008-0088-ALI, "Base Realignment and Closure 2005 Construction Requirements: Dental Clinic, Fort Bliss, Texas," March 18, 2008

Army Audit Agency Report No. A-2008-0078-ALO, "Base Realignment and Closure 2005 Construction Requirements: Infantry Brigade Combat Team Complex, Fort Knox, Kentucky," March 3, 2008

Army Audit Agency Report No. A-2008-0066-ALI, "Base Realignment and Closure 2005 Construction Requirements: Division Headquarters, Fort Carson, Colorado," February 13, 2008

Army Audit Agency Report No. A-2008-0064-ALI, "Base Realignment and Closure 2005 Construction Requirements: Brigade Combat Team, Fort Carson, Colorado," February 13, 2008

Army Audit Agency Report No. A-2008-0063-ALI, "Base Realignment and Closure 2005 Construction Requirements: U.S. Army Reserve Center, Fort Hunter Liggett, California," February 12, 2008

Army Audit Agency Report No. A-2008-0060-ALO, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Paducah, Kentucky," February 8, 2008

Army Audit Agency Report No. A-2008-0055-ALI, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Fort Chaffee, Arkansas," February 4, 2008

Army Audit Agency Report No. A-2008-0054-ALI, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Vancouver, Washington," February 4, 2008

Army Audit Agency Report No. A-2008-0039-ALO, "Base Realignment and Closure 2005 Construction Requirements: Division Headquarters and Sustainment Brigade Headquarters, Fort Riley, Kansas," January 14, 2008

Army Audit Agency Report No. A-2008-0038-ALO, "Base Realignment and Closure 2005 Construction Requirements: Army Reserve Southeast Regional Readiness Sustainment Command, Fort Jackson, South Carolina," January 9, 2008

Army Audit Agency Report No. A-2008-0024-ALO, "Base Realignment and Closure 2005 Construction Requirements: U.S. Army Reserve Northwest Regional Readiness Sustainment Command, Fort McCoy, Wisconsin," December 20, 2007

Army Audit Agency Report No. A-2008-0023-ALO, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Red River Army Depot, Texas," December 5, 2007

Army Audit Agency Report No. A-2007-0242-ALO, "Base Realignment and Closure 2005 Construction Requirements: Battle Command Training Center, Fort Riley, Kansas," September 28, 2007

Army Audit Agency Report No. A-2007-0241-ALO, "Base Realignment and Closure 2005 Construction Requirements: Child Development Center, Fort Riley, Kansas," September 28, 2007

Army Audit Agency Report No. A-2007-0240-ALI, "Base Realignment and Closure 2005 Construction Requirements: U.S. Army Training and Doctrine Command Headquarters, Fort Eustis, Virginia," September 28, 2007

Army Audit Agency Report No. A-2007-0235-ALI, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Fort Dix, New Jersey," September 26, 2007

Army Audit Agency Report No. A-2007-0219-ALO, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Camp Dodge, Iowa," September 14, 2007

Army Audit Agency Report No. A-2007-0218-ALI, "Base Realignment and Closure 2005 Construction Requirements United States Military Academy Preparatory School: United States Military Academy, New York," September 7, 2007

Army Audit Agency Report No. A-2007-0136-ALO, "Base Realignment and Closure 2005 Construction Requirements: Armed Forces Reserve Center, Fort Campbell, Kentucky," May 24, 2007

Army Audit Agency Report No. A-2006-0139-ALO, "Programming, Administration, and Execution System DD Forms 1391: Assistant Chief of Staff for Installation Management," June 21, 2006

Navy

Naval Audit Service Report No. N2008-0014, "Selected Base Closure and Realignment Department of the Navy Military Construction Projects Proposed for Fiscal Year 2009," December 19, 2007

Naval Audit Service Report No. N2008-0002, "Selected Department of the Navy Military Construction Projects Proposed for Fiscal Year 2009," October 17, 2007

Naval Audit Service Report No. N2007-0032, "Selected Base Realignment and Closure Military Construction Projects Proposed for Fiscal Year 2008," May 10, 2007

Naval Audit Service Report No. N2007-0006, "Selected Military Construction, Navy Projects Proposed for Fiscal Year 2008," December 4, 2006

Naval Audit Service Report No. N2006-0030, "Proposed Fiscal Year 2006-2007 Department of the Navy Military Construction Projects Resulting from Fiscal Year 2005 Base Closure and Realignment," June 6, 2006

Air Force

Air Force Audit Agency Report No. F2006-0064-FDS000, "Construction Funds Headquarters Air Education and Training Command, Randolph AFB, TX," September 8, 2006

Air Force Audit Agency Report No. F2006-0007-FD1000, "Pacific Air Forces Base Realignment and Closure Requirements Planning," August 23, 2006

Air Force Audit Agency Report No. F2006-0008-FD1000, "Air Education and Training Command Base Realignment and Closure Requirements Planning," August 23, 2006

Air Force Audit Agency Report No. F2006-0009-FD1000, "Air Combat Command Base Realignment and Closure Requirements Planning," August 23, 2006

Air Force Audit Agency Report No. F2006-0010-FD1000, "Air National Guard Base Realignment and Closure Requirements Planning," August 23, 2006

Air Force Audit Agency Report No. F2006-0006-FD1000, "Air Force Reserve Command Base Realignment and Closure Requirements Planning," August 3, 2006

Air Force Audit Agency Report No. F2006-0001-FB4000, "2005 Base Realignment and Closure – Air Force Data Collection," November 9, 2005

Department of the Army Comments



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT
600 ARMY PENTAGON
WASHINGTON, DC 20310-0600

DAIM-ZB

OCT 27 2008

MEMORANDUM FOR Inspector General, Department of Defense, 400 Army Navy Drive, Arlington, VA 22202-4704

SUBJECT: Response to Department of Defense Office of the Deputy Inspector General for Auditing, Acquisition, and Contract Management Draft Report on the Audit of BRAC 2005 Military Construction Project to Consolidate and Relocate Service Media Activities (PN 64952) to Fort Meade, Maryland

1. My staff has reviewed the draft report on Defense Media Activity (DMA) construction for Commission Recommendation #141. The audit report identifies and validates construction requirements of approximately 183,314 SF and includes several recommendations for action. We partially concur with comment (see enclosure).
2. The Army disagrees with the comment in the report on the conduct of an Economic Analysis (EA). We believe an exception to the requirement existed as a result of recommendation #141. However, planners did consider options to new construction to which none were feasible. An economic analysis requires a review of feasible options (options in this case would be new construction, lease, renovate, convert, modify/add or a combination) to reach a viable alternative. Moreover, the analysis itself must be value added. The commission recommendation required the consolidation of the various media activities on Fort Meade consequently the option to lease was not feasible. Fort Meade does not have excess facilities and therefore did not have the option to modify/add or renovate/convert existing facilities to accommodate DMA. The single remaining alternative therefore was to build new. Given these circumstances, an EA is not normally performed when there is only one feasible alternative which eliminates the critical comparison of life-cycle costs and benefits required of a completed economic analysis.
3. The Office of the Assistant Chief of Staff for Installation Management appreciates the work performed by the DoDIG and appreciates the opportunity to comment on this draft report.

DAIM-ZB

SUBJECT: Response to Department of Defense Office of the Deputy Inspector General for Auditing, Acquisition, and Contract Management Draft Report on the Audit of BRAC 2005 Military Construction Project to Consolidate and Relocate Service Media Activities (PN 64952) to Fort Meade, Maryland

4. My Point of Contact for this action is Mr. Guy Fraser at (703) 602-2995, email: guy.fraser@hqda.army.mil.

Encl
as


CRAIG E. COLLEGE
Deputy Assistant Chief of Staff
for Installation Management

DODIG DRAFT REPORT – DATED 24 SEPTEMBER 2008
DODIG Project No. D2007-D000CG-0047.003

“Base Realignment and Closure 2005 Military Construction Project To Consolidate and Relocate Service Media Activities to Fort Meade, Maryland”

RECOMMENDATION 1: Notify the proper authorities of cost changes and revisions to internal documentation to eliminate the excess square footage resulting from double counting of USMC News personnel.

ARMY RESPONSE: Agree with the recommendation to reduce project scope. This reduction is reflected in the Request for Proposal (RFP) issued 17 September 08 for 178,086 SF and is 5,228 SF less than the DOD IG validated square footage of 183,314 SF.

RECOMMENDATION 2: Request the USMC pay its share of the project costs for including USMC News personnel in BRAC Construction Project 64952 “DMA”.

ARMY RESPONSE: Agree. The USMC is prepared to contribute its fair share of project costs.

RECOMMENDATION 3: For future BRAC projects, follow the DoD Financial Management Regulation and Army Instructions by conducting an economic analysis when the project is first considered, justifying the user needs and unit cost with supporting documentation, and properly reviewing and validating the DD Form 1391.

ARMY RESPONSE: Agree with comment. We believe that severe time constraints within which staff had to work when estimating cost and scope of the DMA facility in 2006 forced them to make assumptions that may have precluded strict adherence to regulatory requirements. Future projects will be conducted and documented IAW the DoD Financial Management Regulation and Army Instructions.

Defense Media Activity Comments

Final Report
Reference



PUBLIC AFFAIRS

DEPARTMENT OF DEFENSE
DEFENSE MEDIA ACTIVITY
601 NORTH FAIRFAX STREET
ALEXANDRIA, VIRGINIA 22314-2007

OCT 10 2008

MEMORANDUM FOR DOD INSPECTOR GENERAL
(ATTN: MS. DEBORAH L. CULP)

SUBJECT: Base Realignment and Closure 2005 Military Construction Project To
Consolidate and Relocate Service Media Activities to Fort Meade, Maryland
(Project No. D2007-D000CG-0047.003)


The Defense Media Activity (DMA) provides the following information in response to the audit of the Base Realignment and Closure (BRAC) 2005 construction project that supports this organization's relocation to Fort Meade, MD. We have taken several immediate actions based on early comments from your staff and offer the following as you prepare to write your final report.

Page 4, para 1, second full sentence. Change to read, "The DMA Transition Team *Service representatives* are responsible for serving as..." Reason: clarity and accuracy.

Page 16, Recommendation 1. Agree. The Request for Proposal W912DR-08-R-011 issued by the Baltimore District of the Corps of Engineers on September 17, 2008 identifies a square footage requirement of 178,086 square feet. This is 5,228 square feet less than the area validated in the draft report.

Page 16, Recommendation 2. Agree. The United States Marine Corps stands ready to contribute its fair share to facility costs within the FY 10, Department of the Navy Unspecified Minor Military Construction Program. The Defense Media Activity (DMA) Transition Team will continue to work closely with the Marine Corps to ensure that these funds are used either as part of a conjunctively funded initiative, or to procure a construction option to the project that is not able to be executed within the project's programmed funding from the BRAC account.

Questions pertaining to the above comments, or to DMA's implementation of the BRAC recommendation may be directed to Mr. Dick Hiner at (703) 428-0245.


Michael S. Galloucis
COL, USA
Deputy Director/Chief of Staff
Defense Media Activity

cc:
OSD BRAC Office
ACSIM, BRAC Division
USACE-NAB

Revised

Team Members

The Department of Defense Office of the Deputy Inspector General for Auditing, Acquisition and Contract Management prepared this report. Personnel of the Department of Defense Office of Inspector General who contributed to the report are listed below.

Richard B. Jolliffe
Bruce A. Burton
Deborah L. Culp
Gwynne M. Roberts
Gary B. Dutton
Rachel L. Herman
Colin E. Pingree
S. Neil Holloway
Allison Tarmann



Inspector General Department of Defense